DOCUMENT RESUME

ED 281 968 UD 025 528

TITLE	Targeting Students for Chapter 1 Services: Are the Students in Greatest Need Being Served? A Report Prepared by the Staff of the Subcommittee on Elementary, Secondary, and Vocational Education of the Committee on Education and Labor, U.S. House of Representatives, One Hundredth Congress.
INSTITUTION	Congress of the U.S., Washington, D.C. House Committee on Education and Labor.
PUB DATE	Apr 87
NOTE	24p.; Serial No. 100-F.
AVAILABLE FROM	Superintendent of Documents, Congressional Sales Office, U.S. Government Printing Office, Washington, D.C. 20402.
PUB TYPE	Legal/Legislative/Regulatory Materials (090) -- Reports - Evaluative/Feasibility (142)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Compensatory Education; Delivery Systems; Economically Disadvantaged; Elementary Secondary Education; *Federal Aid; Federal Programs; Low Achievement; Needs Assessment; *Resource Allocation; Student Needs
IDENTIFIERS	Congress 100th; *Education Consolidation Improvement Act Chapter 1

ABSTRACT

This report presents and discusses the results of a congressional study undertaken to assess the validity of a statement in the Department of Education's document, "Summary and Background Information for the Fiscal Year 1988 Budget," which asserted that many children who are neither poor nor low achievers receive Chapter 1 services. The findings are based on the following: other objective studies on the issue; a reconsideration of the Sustaining Effects Study (SES) on which the Department of Education document is partly based; a telephone survey of 11 states regarding current targeting practices under Chapter 1, "Poverty, Achievement and the Distribution of Compensatory Education Services." Major findings are: (1) children currently served by Chapter 1 are the lowest-achieving; (2) the SES data is old and of questionable quality; (3) most students who fall below the 25th percentile do participate in Chapter 1, and there are valid reasons why some low-achieving students are not served by Chapter 1; (4) if needy children are not served, it is primarily because Chapter 1 resources are inadequate to serve all eligible children; and (5) while Chapter 1 services are well-targeted to the poorest schools within districts throughout the country, the law requires student selection at the local level to be based on educational need, not poverty. (KH)

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5-14-87

[COMMITTEE PRINT]

TARGETING STUDENTS FOR CHAPTER 1 SERVICES: ARE THE STUDENTS IN GREATEST NEED BEING SERVED?

A REPORT

PREPARED BY THE STAFF OF THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDREDTH CONGRESS

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APRIL 1987

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Serial No. 100-F

Printed for the use of the Committee on Education and Labor
AUGUSTUS F. HAWKINS, *Chairman*

U.S. GOVERNMENT PRINTING OFFICE

70-788 WASHINGTON : 1987

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

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PREFACE

In the Department of Education Fiscal Year 1988 budget document, Secretary of Education William J. Bennett asserted that under Chapter 1 of the Education Consolidation and Improvement Act, "many children receive services who are neither poor nor educationally deprived." The intent of the Chapter 1 law and its predecessor legislation, Title I of the Elementary and Secondary Education Act, has always been to serve schools with high concentrations of children from low-income families and to target children in those schools who, because of low achievement, have the greatest need for additional educational services. If the Secretary's contention is correct, it would be cause for concern, especially in a year when Chapter 1 is being considered for reauthorization.

Because these issues go to the heart of the Chapter 1 program and because the Congress is vitally interested in ensuring that the program benefits the children for whom it was intended, I instructed my Subcommittee staff to investigate whether these assertions by the Department are accurate.

The resulting study, which took into account all currently available objective information, demonstrates that the Chapter 1 program is well targeted and is working as Congress intended. However, the Committee during the reauthorization process this year will work to ensure the continuation of this targeting and to further improve it in any way possible. Since this is such an important issue, I have authorized the printing of this Subcommittee staff report which analyzes the Secretary's assertions, examines recent Chapter 1 studies relating to student selection issues, and summarizes the results of the Subcommittee's own telephone survey concerning current Chapter 1 selection procedures.

I encourage all of those who are interested in the implementation and reauthorization of Chapter 1 to examine the information in this report.

Augustus F. Hawkins
Chairman
Subcommittee on
Elementary, Secondary,
and Vocational Education

PURPOSE OF THE INVESTIGATION

Since its inception in 1965, the Title I legislation (later to become the Chapter 1 legislation) has been based on the premise that limited Title I resources should be focused on the poorest schools in all areas of the United States and on the lowest-achieving children within those schools. This underlying philosophy has become more important with the passing years, as appropriations for the program failed to grow as quickly as the law's original sponsors envisioned and then failed, in the 1980's, to keep pace with inflation. With insufficient dollars to serve all children who could benefit from Title I/Chapter 1, the Federal government, through regulations and amendments to the law, emphasized the importance of "targeting" resources on the neediest schools and children throughout the nation. To this day, the idea of targeting is widely considered a guiding principle in the delivery of Chapter 1 services, one that all Chapter 1 administrators should be cognizant of and be implementing.

Thus, it was with great concern that the Members of the Subcommittee took particular notice of a statement concerning Chapter 1 that was included in the U.S. Department of Education document entitled "Summary and Background Information for the Fiscal Year 1988 Budget." The document, one of the detailed reports intended to accompany the President's budget stated:

> The Chapter 1 evaluation has found that many children receive services who are neither poor nor low achievers. (Of the Chapter 1 students receiving mathematics instruction, for example, only 40 percent come from poor families; about 20 percent scored above the 50th percentile in the mathematics achievement tests. Of the students receiving reading instruction, about one-third come from poor families; a small, but significant percentage scored above the 50th percentile in achievement tests.)[1]

This assertion is apparently based on the interim report of the Congressionally-mandated National Assessment of Chapter 1 entitled Poverty, Achievement and the Distribution of Compensatory Education Services. The particular charge regarding questionably-targeted services seems to come from the Assessment's reanalysis of a 1976 study of Title I (not Chapter 1) called the Sustaining Effects Study (SES), done by the Systems Development Corporation under contract with the U.S. Department of Education. Based on a reanalysis of that data, the Poverty, Achievement report states:

> [O]ver 10 percent of students receiving reading instruction were achieving above the 50th percentile rank, and nearly 20 percent of students receiving math instruction scored above that level. . . . Nearly half the program beneficiaries had achievement scores above the 25th percentile rank, yet . . . some 60 percent of students scoring below the 25th percentile rank were <u>not</u> receiving services."[2]

To answer the very serious questions raised by this ten-year-old data, the Subcommittee staff undertook an investigation incorporating: other objective studies on the issue, including one done at the request of the Subcommittee by the General Accounting Office (GAO) and released on January 30, 1987; a careful consideration of the SES report from which the data referenced by the Department of Education were excerpted; results of a Subcommittee staff telephone survey of eleven states regarding current targeting practices under Chapter 1; and an analysis of the National Assessment's statements conducted by the Congressional Research Service of the Library of Congress and reported to the Subcommittee in December, 1986.

Our intent was to examine whether the Secretary's characterization accurately reflects <u>current</u> practice; whether Chapter 1 serves a significant number of ineligible students; and why some children who are eligible to receive Chapter 1 services may not be served in the program.

EXECUTIVE SUMMARY

The Subcommittee staff investigation concluded that for a number of reasons, the inference that Chapter 1 is not well focused and that school districts are serving less needy children while the most needy children go without help is unfounded. Rather, we found that local educational agencies (LEAs) are following the law carefully, that there are problems with the original data on which the Secretary's assertions are based, and that if many needy children are unserved, it is because there are insufficient resources in Chapter 1 to serve more.

We also concluded that unless accompanied by a full discussion of how Chapter 1 works at the local level to target both schools and children, the Secretary's assertions could be very misleading.

We made the following specific findings:

FINDING 1: CHILDREN CURRENTLY SERVED BY CHAPTER 1 ARE THE LOWEST-ACHIEVING.

* Chapter 1 students generally achieve below the 25th percentile, according to data from a number of sources. (The 50th percentile is the average level of achievement on standardized tests.)

* In many States, the average achievement level of Chapter 1 students is in the 15th to 20th percentile range.

* The GAO found that Chapter 1 participants generally meet selection criteria and that the error rate in placing Chapter 1 students was less than 3%.

* The state directors of Chapter 1 concurred that there is a high degree of compliance among LEAs with proper student selection procedures.

FINDING 2: THE SUSTAINING EFFECTS STUDY DATA UPON WHICH THE DEPARTMENT OF EDUCATION'S CONTENTION IS BASED IS OLD AND OF QUESTIONABLE QUALITY.

* The 1976 information is completely outdated; it does not reflect current practices following the 1978 amendments clarifying Title I targeting provisions or the 1981 amendments creating Chapter 1.

* A review panel convened when the study was first released was highly critical of its technical quality.

* The current National Assessment of Chapter 1 being conducted by the Department of Education reanalyzed the Sustaining Effects Study data and raised further questions about its general applicability and its quality.

* A single test score, as was used in the Sustaining Effects Study to draw conclusions about Title I eligibility, is not an adequate measure of a child's achievement and does not reflect actual Title I/Chapter 1 procedures.

FINDING 3: MOST STUDENTS WHO FALL BELOW THE 25TH PERCENTILE DO PARTICIPATE IN CHAPTER 1, AND THERE ARE VALID REASONS WHY SOME LOW-ACHIEVING STUDENTS ARE NOT SERVED BY CHAPTER 1.

* The GAO found that only 20% of those students who were in the bottom achievement quartile (below the 25th percentile) were not served by Chapter 1.

* Many low-achieving children are in grade levels that are not served due to insufficient funds.

* Some low-achieving students are served by other special programs, such as handicapped, migrant, bilingual, or state remediation programs.

* Students in other special programs generally score below the 25th percentile. There is little overlap between the students served in other special programs and Chapter 1.

FINDING 4: IF NEEDY CHILDREN ARE NOT SERVED, IT IS PRIMARILY BECAUSE CHAPTER 1 RESOURCES ARE INADEQUATE TO SERVE ALL ELIGIBLE CHILDREN.

* Even with other special program funds, there are still unserved children below the 25th percentile.

* The average Chapter 1 contribution of $613 per child is well below the cost of providing special services to Chapter 1 children in the states we surveyed.

* A focus on expanding the program to serve more children would be a better way of ensuring that services reach needy children than discrediting the program's targeting practices with questionable data.

FINDING 5: WHILE CHAPTER 1 SERVICES ARE WELL-TARGETED ON THE POOREST SCHOOLS WITHIN DISTRICTS THROUGHOUT THE COUNTRY, THE LAW REQUIRES STUDENT SELECTION AT THE LOCAL LEVEL TO BE BASED ON EDUCATIONAL NEED, NOT POVERTY; IT IS THEREFORE UNFAIR TO CRITICIZE THE PROGRAM FOR SERVING SOME CHILDREN WHO ARE NOT POOR.

* 75% of the public school children served by Chapter 1 are in elementary schools with 30% or more children from low-income families; over half the Chapter 1 children are in schools with over 50% poor children.

* Although funds are targeted to school districts and school buildings with the greatest poverty, students selected for Chapter 1 participation do not have to be poor; they need only be educationally disadvantaged.

* It is misleading to criticize the program for failing to do what it was never intended to do.

These are the general findings of the Subcommittee staff investigation. Our more detailed information and supporting statistics follow.

FINDINGS REGARDING CHAPTER 1 TARGETING AND STUDENT SELECTION

FINDING 1: CHILDREN CURRENTLY SERVED BY CHAPTER 1 ARE THE LOWEST-ACHIEVING.

Chapter 1 law and regulations provide that once a school district receives Chapter 1 funds, it must distribute them to schools which have the highest number or percentage of children from low-income families. Often, there are not enough funds to institute a Chapter 1 program in all of the schools that are eligible on the basis of their poverty status to receive funds. In this case, the LEA must target the schools with the highest concentrations of poverty. In most instances, the LEA must also make a decision about which grade spans to target for services within those school buildings selected for Chapter 1 programs.

At those grade spans (generally a limited number), the students who demonstrate the greatest need for supplemental special educational services, based on the LEA's criteria of need, are placed in the program. Most LEAs select students on the basis of students' test scores, coupled with consideration of their classroom performance and teachers' judgments of the students' need for special help. The wisdom of using this sort of comprehensive selection criteria is discussed later in this report.

It should also be noted that the 50th percentile has traditionally been used to indicate the point below which students may be indentified as educationally deprived, because it is the middle or average level of achievement. The Chapter 1 regulatory definition of educationally deprived is: "Children achieving below the level that is appropriate for children of their age" [3] Therefore, children achieving below average for their age are eligible to receive special educational help under Title I/Chapter 1 to bring them up to average achievement levels.

The Subcommittee staff found that the 1976 data is not supported by current, actual practice and that students in the greatest need of service are being served. This finding was confirmed by information from several sources, as follows:

A. OUR SURVEY OF STATE PRACTICES REVEALS THAT CHAPTER 1 STUDENTS GENERALLY ACHIEVE BELOW THE 25TH PERCENTILE.

Using fall pre-test scores as an indicator of the entry level achievement of Chapter 1 students, states reported in the Subcommittee's telephone survey that their average scores, depending on grade level and subject area, ranged from the 6th to the 36th percentile, but were well below the 50th percentile. (See Appendix A for survey

questions.) Pre-tests are generally given in October or November to correspond to standardized test norming dates. Since in most cases this timing is after the students have already received a month's service in the Chapter 1 program, the scores actually reflect a slightly higher level of achievement than the child had upon entry into the program. For the states surveyed, representative of a wide range of geographic regions and demographic characteristics, the average pre-test score for reading was the 20th percentile; for math it was the 19th percentile. Both are below the 25th percentile, which is often used as a benchmark of the lowest-achieving students.

Specific examples are:

-- Louisiana with an average reading pre-test score of the 16th percentile and with a range of between the 8th and 19th percentiles. In math, the average pre-test score was at the 14th percentile;
-- Minnesota with an average reading pre-test score at the 19th percentile and an average math pre-test score at the 18th percentile;
-- Oregon, Pennsylvania, and Washington with average reading pre-test scores at the 17th percentile and with ranges of between the 13th and the 25th percentiles. Average math pre-test scores in these three states were respectively at the 13th, 16th, and 19th percentiles.

B. OTHER INDEPENDENT DATA SHOWS CHAPTER 1 STUDENTS SCORING IN THE BOTTOM QUARTILE.

A cross-check of the reliability of the pre-test scores was available in Washington State where the statewide testing done at fourth, eighth, and tenth grades identifies specific groups of students within the overall group tested. Specific percentile rankings are available for students receiving Chapter 1 services in each discrete subject, i.e., reading, math and language arts, as well as for migrant and state remediation assistance students in reading, math, and language arts, and for bilingual, handicapped, learning disabled, and highly capable students.[4]

For grade four students as a whole, the median percentile in reading was 56 percent; for Chapter 1 reading students, the median percentile was 18 percent.[5] All grade eight students' median percentile rank was at the 59th percentile, while Chapter 1 students ranked at the 18th percentile. Tenth grade comparisons were equally significant: the median percentile in reading for all students was the 55th, while Chapter 1 students scored at the 17th percentile. Percentile ranks in math evidenced the same pattern, with 30 percentile points between Chapter 1 students and all students at the fourth grade level and 36 and 39 percentile points separating Chapter 1 students from

the average for all students at the eighth and tenth grade levels.

Clearly, the students served in the Chapter 1 program were students in greatest need of services. These results are even more significant if one takes into account the fact that the scores of Chapter 1 students were a part of the much higher median percentile scores for all students tested.

C. A NEW GAO STUDY "FOUND FEW ERRORS IN THE CHOICE OF STUDENTS TO RECEIVE CHAPTER 1 READING SERVICES."

Further support for the fact that Chapter 1 services are targeted on eligible students comes from a study of the 1983-84 school year done by GAO at the request of the Subcommittee. The report, released on January 30, 1987, described how Chapter 1 students were selected; whether selection procedures met Federal, state, and local requirements; and how compliance with these requirements was achieved. After reviewing the individual student records of 8,218 students in second through fourth grades in 58 schools from 17 school districts in 8 states, the report concluded that the overall error rate in placing Chapter 1 students, using state/local selection criteria that conformed to Federal law, was under 3 percent.

In districts using a "test-only" selection procedure, approximately 4 percent of the students scored higher than the district or state-established "cutoff point." This was not necessarily above the 50th percentile, however, since many districts use lower cutoff points, some as low as the 20th percentile (e.g., Lansing, Michigan). In districts using test scores in conjunction with other measures (such as teacher recommendations, classroom performance, student retention, or previous service in the Chapter 1 program) fewer than 1 percent of the students were selected in error.

D. STATE COORDINATORS REPORT A HIGH DEGREE OF COMPLIANCE WITH PROPER STUDENT SELECTION PROCEDURES.

The final question on the telephone survey to state coordinators was: Based on your monitoring of your school districts, do you find that LEAs understand and adhere to the "in greatest need" standard in their student selection procedures?

Response to the question of whether or not state coordinators could attest, on the basis of their personal experience with their LEAs, to the integrity of the Chapter 1 selection process in their states was overwhelmingly affirmative. All those surveyed unhesitatingly answered that student selection was crucial to the success of the program and was the most closely and rigorously monitored

aspect of the program. State-level directors said that now and then there will be isolated instances of an apparently ineligible child being served, but that in even those cases, districts usually have back-up documentation to indicate that the child is, in fact, eligible based on a reasonable exception to the criteria.

FINDING 2: THE SUSTAINING EFFECTS STUDY (SES) DATA UPON WHICH THE DEPARTMENT OF EDUCATION'S CONTENTION IS BASED IS OLD AND OF QUESTIONABLE QUALITY.

A. THE 1976 STUDY DOES NOT REFLECT CURRENT PRACTICE.

As the above information documents, the SES data does not conform with more recent research about Chapter 1 student selection and targeting. It may be helpful to note here that the 1976 data collection preceded impementation of the 1978 amendments to Title I, enacted in P. L. 95-561. These amendments contained several very important provisions which, for the first time, codified in the Title I statute several long-standing practices concerning student selection and targeting of schools that were developed through regulation and years of program experience. These examples incorporated into law provided additional clarification about targeting and had the effect of ensuring nationally consistent targeting practices among LEAs.

Neither does the SES data tell us anything about practices under Chapter 1, which was enacted in 1981 and implemented the following school year.

In addition, the decade of program experience since 1976 has meant that Title I/Chapter 1 has become a well-accepted program and that local administrators are, for the most part, thoroughly familiar with its purpose and provisions.

B. A REVIEW PANEL CONVENED WHEN THE SES FIRST APPEARED WAS HIGHLY CRITICAL OF THE STUDY.

The second report of the current Congressionally-mandated study of Chapter 1, The Effectiveness of Chapter 1 Services, released by the Department of Education on January 30, 1987, stated:

> The SES draft and final reports have been the subject of considerable criticism. The report of the majority of a special panel that was convened to review the SES (Hanushek, Breneman, & Hauser, 1979) made the following general criticisms of the substudy reports: The technical quality and exposition of the reports on the whole are

> below prevailing standards and in some cases are unacceptable. Statistical analyses have serious flaws. The structure and reporting of analyses limit or even preclude their usefulness for evaluating or developing future compensatory education policies.[8]

Thus, the SES statistics are not only dated but are also of highly questionable quality. To attempt a characterization of current Chapter 1 program practices on this basis is unfair and inaccurate.

C. THE DEPARTMENT OF EDUCATION'S CURRENT NATIONAL ASSESSMENT OF CHAPTER 1 HAS NOTED FURTHER PROBLEMS WITH THE SES DATA.

In its discussion of its limited use of SES data for the Effectiveness report, the Department of Edcuation's staff noted in addition:

> [C]ritics have raised important problems with the SES data that must be considered when either examining substudy results or reanalyzing the SES data. The following are the most serious problems with the data base: The attrition of schools and students from the longitudinal sample, especially as it limits the generalizability of data to the national population; and the absence or poor quality of data for measuring variables, other than student achievement . . . . [9] (Emphasis added.)

The Department's National Assessment Report itself notes that generalizing from the SES data, as the Department of Education has done in its budget statement, is not warranted because of the very serious problems with the study.

D. THE SES STUDY USED A SINGLE TEST SCORE TO IND.CATE STUDENT ELIGIBILITY FOR TITLE I SERVICES, A TECHNIQUE THAT DOES NOT REFLECT ACTUAL STUDENT SELECTION PROCEDURES.

In determining whether students served in Title I were eligible on the basis of low achievement, the SES study excluded any measure of student achievement (such as indicators of student need) other than scores on the 1976 fall California Test of Basic Skills. Such a procedure is completely at odds with the reality of Chapter 1 student selection. Studies of current practice, including the most current one done by GAO, document that most school districts use a combination of test scores, teacher judgment, classroom performance, progress with curricular materials, etc., as their basis for selecting students for Chapter 1 services, rather than relying solely on a single test score.

In addition, it can not be emphasized too strongly that single test scores are not exact measurements. The reason for more comprehensive selection criteria is, of course, that an overall look at a child's achievement presents a more accurate picture of actual performance and need than relying on one measure alone. Wayne Riddle of the Congressional Research Service, in his December, 1986, analysis of this issue, points out the significant problem with reliance on a single test score.[10] He explains that any standardized test has "a degree of measurement error, a variance beween the 'true' score and the 'actual' score," the true score being one that would occur if it were possible to remove all forms of bias from the test and the environment in which it is administered. Thus, any actual score should be viewed as only a mid-point in a range twice the standard error of measurement on either side of the actual score. For example, an actual score of 100 on a test with a standard error of measurement of 10 reflects a true score of anywhere between 80 and 120. Therefore, actual scores are only indicators, not foolproof measures of achievement, and it would be surprising if some children did not score above the 50th percentile or a lower district cut-off score on a standardized test, particularly if the test was given after the beginning of the program year, as the 1976 CTBS was -- after the students had already been receiving up to a month and a half of Title I instruction.

The fact that test scores are only indicators of student need, not absolute predictors, is the basis for multi-faceted selection criteria. Educators want to be certain that the children selected to receive special educational services are those who most need the help. As noted above, the GAO, in examining student selection in districts with comprehensive selection criteria, found that fewer than one percent of the students being served in the Chapter 1 program were, in their opinion, misplaced.

FINDING 3: MOST STUDENTS WHO FALL BELOW THE 25TH PERCENTILE DO PARTICIPATE IN CHAPTER 1, AND THERE ARE VALID REASONS WHY SOME LOW-ACHIEVING STUDENTS ARE NOT SERVED IN CHAPTER 1 PROGRAMS.

A. THE GAO STUDY FOUND THAT ONLY 20% OF THOSE STUDENTS WHO SCORED BELOW THE 25TH PERCENTILE WERE NOT SERVED BY CHAPTER 1.

The GAO found that of that 20 percent, one-third were served by another program and another 10 percent were not served because their test scores did not accurately reflect their achievement level as demonstrated in other ways. Other non-served but eligible students arrived after the selection testing was done and program slots were filled or were unavailable for one reason or another at the time

program services began. As is discussed below, there are a number of valid reasons why a certain portion of the lowest-achieving children may not be served by Chapter 1, and the GAO data takes these factors into account.

B. AS THE GAO EVIDENCE NOTES, CHILDREN WHO ARE NOT RECEIVING CHAPTER 1 SERVICES ARE FREQUENTLY ENROLLED IN SCHOOLS OR IN GRADE LEVELS WHICH ARE NOT TARGETED DUE TO INSUFFICIENT FUNDS.

The GAO evidence directly contradicts the earlier SES data cited by Secretary Bennett, which purported to show that 60 percent of the children below the 25th percentile were not served by Chapter 1. The GAO study points out why the difference occurred:

> This difference in findings reflects the fact that we focused on grade levels that received program services, while the NIE study looked at all grade levels in funded schools, whether or not served. Also, the higher scoring participants in the NIE study were not necessarily in the same schools as the lower scoring students who were not served. Our review indicates that for the most part school officials are selecting Chapter 1 participants in accordance with criteria that under current rules may differ regarding cutoff points and include other factors besides test scores." (Emphasis added.)

Thus, the GAO report acknowledges an important factor in Chapter 1 targeting alluded to earlier in this report: that because of limited resources, school districts are frequently compelled to concentrate services on a limited number of schools and a limited number of grade spans within those schools.

Such a practice is an educationally sound and fiscally responsible one, and one that is wholly in keeping with Chapter 1 law and regulations. Both the Title I and Chapter 1 laws require programs to be "of sufficient size, scope, and quality to give reasonable promise of substantial progress," and many LEAs have implemented this requirement by focusing an adequate level of resources on particular schools and grades. For example, many LEAs do not operate programs at the high school level because to do so would spread the funds too thinly to have programs of sufficient size and scope. When such a decision must be made, LEAs often choose to target funds on the elementary grades.

Ignoring the practice of focusing on grade spans reveals a lack of understanding about how Chapter 1 works

and could suggest some very misleading conclusions about targeting. Obviously, if one looks at grade levels where Chapter 1 students are not served, a full 100 percent of students below the 25th percentile will emerge in the "non-served" category; to do this, however, skews the data and presents a totally distorted picture of whether students are being selected appropriately in grade levels where programs are operated.

C. SOME STUDENTS WHO ARE ELIGIBLE FOR CHAPTER 1 ARE ALSO ELIGIBLE FOR AND SERVED BY OTHER SPECIAL PROGRAMS.

Not all students in the lowest percentiles are served by Chapter 1 because they may qualify for services from the migrant, bilingual, state remediation, or handicapped programs. For example, learning disabled students with low test scores may be receiving services under P. L. 94-142, the Education of the Handicapped Act. Current information about services to children with special needs demonstrates that administrators faced with increasing student need and diminishing resources tend to identify children in a program-specific manner in order to make available funds cover as many children as possible. Thus, many children in the lowest quartile receive help through other special programs if they are eligible under those programs.

Data from a study of overlapping services conducted in Washington State reveals that most of the time, the same child receives services from only one special program and that multiple services to the same child are rare.

This study asked all 299 school districts to report overlapping services on their special program end-of-year reports. Of the nearly 60,000 children served in Chapter 1, only 1.9 percent received migrant services as well, 5.2 percent were served by handicapped; 2 percent were served in the state bilingual program; and 8.8 percent were served by the state remediation program (which is focused on math while Chapter 1 is mainly a reading assistance program).[11] Further, when the achievement of those students receiving multiple program services was examined, the study found that multiple service children scored between 4 and 30 percent lower than children receiving a single program service, thus indicating the greater need for more help.

D. CHILDREN IN OTHER SPECIAL PROGRAMS SCORE IN THE LOWEST QUARTILE.

Using the data from the Washington State testing program as an example,[12] we found that students in the lower quartile not served by Chapter 1 may very well be in other programs as noted above, because their test scores indicate that they are part of the lower quartile group. Median scores for students served in bilingual, migrant,

handicapped, and state remediation programs were all below the 25th percentile. Using grade four, eight and ten results the following picture emerged. Students who are learning disabled (approximately 31,000 in Washington) have a median percentile score of 7 for fourth grade, 11 for eighth grade and 12 percentile for tenth grade. Further, 84 to 85 percent of them score below the 24th percentile. In the state remediation program (serving approximately 28,500 students in grades 2-9) the median percentile scores are the 17th and 16th percentiles in grades four and eight respectively; 63 to 67 percent of the students score below the 24th percentile. Students in the bilingual program (over 15,000) score at the 15th, 6th, and 7th percentiles on the average in grades four, eight, and ten, and 62 to 84 percent of them score below the 24th percentile.

Considering the number of students in other programs who score below the 25th percentile and the small overlap in services among the special programs, one can easily see why some Chapter 1 eligible students would not be receiving Chapter 1 services, even though they qualify for them.

FINDING 4: IF NEEDY CHILDREN ARE NOT SERVED, IT IS PRIMARILY BECAUSE CHAPTER 1 RESOURCES ARE INADEQUATE TO SERVE ALL CHILDREN IN NEED.

If there is any cause for concern in the statistics from the telephone survey and the other sources discussed above, it is this: Chapter 1 is significantly underfunded; far more children are eligible than can be served.

A. FUNDS ARE INADEQUATE TO SERVE ALL ELIGIBLE CHILDREN.

Six of the eleven states surveyed do statewide testing of all students at particular grade levels. In those states, between 20 and 28 percent of their students scored below the 25th percentile, but the States were able to serve only 7.1 percent to 13 percent of their total school populations with Chapter 1 funds. Although all states reported having some service at all grade levels, from 75 to 95 percent of the children served were in grades 1-6. Therefore, a huge percentage of needy students at the secondary level received no Chapter 1 services at all due to lack of adequate resources. In fact, no state was able to serve in Chapter 1 even half of the number of students who scored below the 25th percentile. To do so would have required at least twice the amount of their current Chapter 1 allocations.

If someone ignored these realities and looked only at the total number of unserved children in all grades, one could reach a dangerous and misleading conclusion that low-achieving children were being passed over for service.

B. COMBINING RESOURCES FROM ALL SPECIAL PROGRAMS LEAVES UNSERVED CHILDREN BELOW THE 25TH PERCENTILE.

Even in states which have state compensatory education programs as well as bilingual, handicapped, and migrant programs, the total number of students served in those programs and in Chapter 1 did not equal the number of students scoring below the 25th percentile on statewide tests. With the Washington State study indicating very minimal overlap of services, one can see educators doing their best to stretch limited dollars and still failing to reach all children in need.

C. THE COST OF ADEQUATE SERVICES OUTSTRIPS THE AMOUNT AVAILABLE.

According to our state survey, the cost of providing special educational services for low-achieving children far outstrips the average Chapter 1 contribution of $613 per participating child. As an example, Washington State received in 1986 $440.14 for each child counted under the Chapter 1 formula (a total allocation of approximately $40,700,000 for 93,000 children). Approximately 20 percent of its school age population, or 149,700 students, scored below the 25th percentile. The average cost per child of providing Chapter 1 services in the state was $674 per child, which is lower than the average cost in the states surveyed ($730.74.). Initially, then, the amount received per student is $100 to $200 less than the cost of providing Chapter 1 services, and half again as many students need services as drive the money available. This is a litany repeated in state after state. Michigan receives $477 per child for a total allocation of $143,105,532 and serves 171,000 children in Chapter 1 at an average cost of $745 per child. Approximately 348,000 students score below the 25th percentile. To serve all of those students would require more than twice the Chapter 1 resources they now have available.

To charge that Chapter 1 is somehow missing the mark because it cannot serve all eligible children is more an indictment of the level of funding than an indictment of the administration of the program in local school districts.

FINDING 5: WHILE CHAPTER 1 SERVICES ARE WELL-TARGETED ON THE POOREST SCHOOLS WITHIN DISTRICTS THROUGHOUT THE COUNTRY, THE LAW REQUIRES LOCAL STUDENT SELECTION TO BE BASED ON EDUCATIONAL NEED, NOT POVERTY; IT IS THEREFORE UNFAIR TO CRITICIZE THE PROGRAM FOR SERVING SOME CHILDREN WHO ARE NOT POOR.

A. CHAPTER 1 SERVICES ARE TARGETED ON SCHOOLS WITH CONCENTRATIONS OF POOR CHILDREN.

Department of Education officials have cited other statistics which show that 60 to 66% of the children served by Chapter 1 are not poor.

This is a specious argument. Neither Chapter 1 nor Title I has ever based individual student eligibility on the child or his family's income level. It is only in the distribution of funds to local school districts that poverty is a factor. The Chapter 1 funding formula is based on numbers of poor children from census data. This legislative decision was made in recognition of: (1) the fact that poverty data is one of the few types of nationally-consistent, objective data available down to the local level and (2) evidence that the proportion of educationally disadvantaged children is greatest in the areas with the highest concentrations of poverty.

Preliminary 1985-86 data from the final report of the Department of Education's National Assessment of Chapter 1 shows that Chapter 1 is succeeding in targeting funds to the poorest school buildings in each school district as intended. This data indicates that 57% of children currently served in Chapter 1 are in schools where over 50% of the children are from low-income families. Another 18% of Chapter 1 students are in schools in the second highest poverty group, those with enrollments of 30% to 50% low-income children. Thus, three-quarters of the public school Chapter 1 students are in elementary schools where from 30% to 100% of the children are poor. Thus, although districts do not consider an individual child's family income status as a program eligibility factor, these statistics provide overwhelming evidence that districts are targeting funds on the areas with the highest concentrations of low-income children.

In small school districts which have only one building, or one building per grade span, that building has the highest poverty level in the district automatically, even though it may not be in the highest poverty quartile nationally. This lower poverty level does not mean, however, that the school has no educationally disadvantaged students and therefore should be denied Chapter 1 money. To target Chapter 1 money in such a manner that educationally disadvantaged students in small school districts receive no help from a Federally-funded program designed to provide equal educational opportunity does not comport with the intent of the Chapter 1 program or with the philosophy behind Federal aid to education. But only with increased funding will Chapter 1 be able to reach its goal of providing special educational help for all educationally disadvantaged children.

B. STUDENTS SELECTED FOR CHAPTER 1 DO NOT HAVE TO BE POOR; THEY NEED ONLY BE EDUCATIONALLY DISADVANTAGED.

Once funds are targeted on the poorest school buildings, no questions are asked in Chapter 1 about an individual child's poverty status. Student selection, as demonstrated earlier, is based on educational factors.

This principle was wisely adopted from the outset of Title I, so as to minimize stigmatizing children, to avoid putting school officials in a position of verifying family income, and to ensure fair and equitable opportunity for all educationally disadvantaged children to receive services.

To malign the program for failing to do what it was never intended to do is unfair and misleading.

CONCLUSION

Current information confirms that students who are in greatest need of supplementary services are the ones selected to receive Chapter 1-funded services. A very small percentage of students were found to be misplaced according to individual school district selection criteria which were all within allowable practice under the law. Even those "misplaced," were not necessarily above the generally-accepted 50th percentile cutoff.

Only 20 percent of students scoring below the 25th percentile were not being served by Chapter 1, and in the vast majority of those cases, this was occurring for valid reasons -- students being served by another special program, for example.

The overriding reason why more eligible students are not being served in Chapter 1 is the lack of adequate funding. There is simply not enough Chapter 1 money to serve all eligible schools or all eligible children. No better argument exists for fulfilling the stated intent of the Special Educational Needs Act of 1987, H. R. 950, the legislation introduced by Chairman Hawkins and Congressman Goodling on February 4, 1987: "To seek methods to ultimately extend such assistance to all educationally deprived children who are eligible for services under this Chapter."

The Department's charges of poor targeting and selection practices ignore the current situation: educators are doing an excellent job with the resources they have. But with the growth in child poverty, minority populations, single parent homes and other factors that correlate with educational disadvantage, an increasing number of children need Chapter 1 assistance. If we are to meet this challenge in the future, we should concentrate our energies on building upon and expanding a program that has already been proved effective, rather than attempting to discredit it with questionable data.

FOOTNOTES

1. U.S. Department of Education, "The Fiscal Year 1988 Budget Summary and Background Information", January, 1987, p. 6.

2. Poverty, Achievement and the Distribution of Compensatory Education Services, Office of Educational Research and Improvement (OERI), U. S. Department of Education, January, 1986, p. 91.

3. 34 CFR 200.3, Federal Register, V. 47, No. 126, July 29, 1982, p. 32860.

4. States surveyed were Arizona, Georgia, Illinois, Iowa, Louisiana, Michigan, Minnesota, New York, Oregon, Pennsylvania, and Washington.

5. This is one percentile point lower for Chapter 1 reading than the results reported in Chapter 1 end-of-year report. It is probably more accurate, since end-of-year reports include only students for whom both a pre-test and post-test score are available. Thus mobile students, who many times are among the lowest-achieving, may not be reflected in the end-of-year pre-post test results.

6. Chapter 1 students make up approximately eight percent of the student population in Washington State.

7. Compensatory Education: Chapter 1 Participants Generally Meet Selection Criteria, General Accounting Office, January 30, 1987, p. 38.

8. The Effectiveness of Chapter 1 Services, Office of Educational Research and Improvement (OERI), January, 1987, p. D-7.

9. Ibid., p. D-8.

10. Riddle, Wayne, "Possible Reasons why Certain Studies Find that Some Chapter 1, Education Consolidation and Improvement Act, Participants Are Neither Poor nor Educationally Disadvantaged," Congressional Research Service (CRS), Library of Congress, December 24, 1986, pp. 11-12.

11. "A Study of Categorical Program Participation of Chapter 1 Students," Kathleen Plato, Dennis Deck, Gordon Ensign, Duncan McQuarrie and Patricia Neil-Carlton, September 30, 1986, p. 15.

12. Washington State Testing Program, Grades 4, 8, and 10, State General Report, Fall 1985, pp. 15-21.

APPENDIX A

Telephone Survey Questions

1. What is the total Chapter 1 allocation for your state?

2. What is the amount per child you receive by formula?

3. What is the average cost per student of serving a child with Chapter 1?

4. How many students are enrolled, grades K-12?

5. How many students are served in Chapter 1?

   (a) What percent is this of the total school age population?

   (b) What grade spans are served?

   (c) What subject areas are served?

6. Do you have statewide tests?

   (a) If so, what percent and number of students score below the 25th percentile?

   (b) Below the 50% percentile?

7. How many students are served by:

   (a) Handicapped programs?

   (b) Migrant (academic)?

   (c) Bilingual/ESL?

   (d) State/Local Compensatory Education?

8. What is the average entry pre-test level percentile rank for Chapter 1 students in reading? In math?

9. What is the average poverty percentage in Chapter 1 served schools?

10. Based on your monitoring of your school districts, do you find that the LEAs understand and adhere to the "in greatest need" standard in their student selection procedure?